

. Industry Overview

Players in the Gold and Ore Mining industry primarily mine gold and silver-bearing ores. Mining activities include the development of mine sites and the on-site processing of ore into a concentrate or bullion. Gold ore mining companies typically retain ownership of the semi-processed gold products and pay for further refining on a toll-charge basis.

If you are an observer of the Gold Ore Mining industry, you will notice that the industry revenue is largely a function of production volume and commodity prices. For the Gold Ore Mining industry, output volumes and sales prices for both gold have fallen over the past five years, leading to significant industry contraction.

In times of economic turmoil, investors look to buy safe-haven assets such as gold, causing gold prices to surge. This helped industry revenue to grow through to 2023. In fact, strong demand from domestic and international investors drove gold prices to all-time highs.

If you are considering starting a gold mining business whether on a small scale or on a large scale, then you should ensure that you obtain all the necessary permits from the local, state and government. The truth is that this type of business does pretty well when it is strategically positioned.

In summary, gold mining business is a profitable business venture and it is open for any aspiring entrepreneur to come in and establish his or her business; you can choose to start on a small scale on a large scale with robust distribution networks all across the United Republic of Tanzania and other countries of the world.

2. Executive Summary

NET MINING LIMIED is a private limited company by shares established in Tanzania on 27th August 2023

The company is local but shareholders originated from Republic of people of China who are also the director of the Net Mining limited just as seen in the company memorandum, company will deals gold extraction starting with Songwe region And finally will invest in Shinyanga and Geita Regions

Our business goal as a gold mining company is to become the number one choice of jewelry making companies and other companies that make use of gold in Tanzania other countries of the world.

As a business, we are willing to go the extra mile to invest in owning our own environmentally friendly gold mines and also to hire efficient and dedicated employees.

We have been able to secure permits and licenses from all relevant departments both at the local government and state level in the United Republic of Tanzania. NET MINING LIMIED is set to redefine how a standard gold mining business should be run all across the world. This is why we have put plans in place for continuous training of all our staff.

The demand for gold is not going to plummet any time soon which is why we have put plans in place to continue to explore all available market around the Tanzania and other countries of the world. In the nearest future, we will ensure that we create a wide range of distribution channels all across the United Republic of Tanzania and other countries of the world.

NET MINING LIMIED will at all-time demonstrate her commitment to sustainability, both individually and as a firm, by actively participating in our communities and integrating sustainable business practices wherever possible. We will ensure that we hold ourselves accountable to the highest standards by meeting our customers' needs precisely and completely.

3. Our Product and Service Offerings

NET MINING LIMIED is established with the aim of maximizing profits in the gold mining industry. We want to compete favorably with leaders in the industry which is why we have but in place a competent team that will ensure that our products are of high standard.

We will work hard to ensure. that NET MINING LIMIED is not just accepted in the United Republic of Tanzania, but also in other countries of the world where we intend supplying our products.

4. Our Mission and Vision Statement

- Our vision as a gold mining company is to own gold and other mines all across the United Republic of Tanzania and other countries of the world; we want to become the number one brand in the gold and other mining industry.
- Our mission is to establish a standard gold mining company that in our own capacity will favorably compete with leaders in the industry at the global stage. We want to build a gold mining company that will be listed amongst the top 5 gold mining companies in the world.

Our Business Structure

As part of our plan to build a top flight gold mining company in Tanzania that will favorably compete with leaders in the industry, we have perfected plans to get it right from the onset which is why we are going the extra mile to ensure that we have competent employees to occupy all the available positions in our company.

In view of that, we have decided to hire qualified and competent hands to occupy the following positions at NET MINING COMPANY;

- Chief Executive Officer (Owner)
- Gold Mine Manager
- Human Resources and Admin Manager
- Sales and Marketing Officer
- Accountants/Cashiers
- Mining Workers
- Truck Drivers
- Customer Service Executives

5. Job Roles and Responsibilities

Chief Executive Officer – CEO (Owner):

- Increases management's usefulness by recruiting, selecting, orienting, training, coaching, counseling, and disciplining managers; collaborating values, strategies, and objectives; assigning accountabilities; preparing, monitoring, and appraising job results; developing incentives; developing a climate for offering information and opinions; providing educational opportunities.
- Answerable for fixing prices and signing business deals
- Responsible for providing direction for the business
- Makes, connects, and implements the organization's vision, mission, and overall direction – i.e. leading the development and implementation of the overall organization's strategy.
- Accountable for signing checks and documents on behalf of the company
- Evaluates the success of the organization

Gold Mining Site Manager

- Oversees the smooth running of operations in the mine
- Makes sure that quality is maintained at all times
- Maps out strategies that will lead to efficiency amongst workers in the organization
- Responsible for training, evaluation and assessment of the workforce
- Ensures operation of equipment by completing preventive maintenance requirements; calling for repairs.
- Ensures that our gold and silver mining site meets the expected safety and health standard at all times.

Human Resources and Admin Manager

- Responsible for overseeing the smooth running of HR and administrative tasks for the organization
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- Defines job positions for recruitment and managing interviewing process
- Carries out induction for new team members

- Responsible for training, evaluation and assessment of employees
- Oversees the smooth running of the daily business activities.

Sales and Marketing Manager

- Manages external research and coordinate all the internal sources of information to retain the organizations' best customers and attract new ones
- Models demographic information and analyze the volumes of transactional data generated by customer purchases
- Identifies, prioritize, and reach out to new partners, and business opportunities et al
- Responsible for supervising implementation, advocate for the customer's needs, and communicate with customers
- Develops, executes and evaluates new plans for expanding sales
- Documents all customer contact and information
- Represents the company in strategic meetings
- Helps to increase sales and growth for the company

Gold Mining Casual Workers

- Liable for operating excavators and other machines in the gold and silver mining site
- Handles the mining of gold
- Assist in loading and offloading of our gold into and out of the trucks

Accountant/Cashier

- Responsible for preparing financial reports, budgets, and financial statements for the organization
- Provides managements with financial analyses, development budgets, and accounting reports; analyzes financial feasibility for the most complex proposed projects; conducts market research to forecast trends and business conditions.
- Responsible for financial forecasting and risks analysis.
- Performs cash management, general ledger accounting, and financial reporting
- Responsible for developing and managing financial systems and policies

- Responsible for administering payrolls
- Ensures compliance with taxation legislation
- Handles all financial transactions for the organization
- Serves as internal auditor for the organization

Truck Drivers

- Assists in loading and unloading gold
- Maintains a logbook of their driving activities to ensure compliance with federal regulations governing the rest and work periods for operators.
- Keeps a record of vehicle inspections and make sure the truck is equipped with safety equipment
- Inspects vehicles for mechanical items and safety issues and perform preventative maintenance
- Complies with truck driving rules and regulations (size, weight, route designations, parking, break periods etc.) as well as with company policies and procedures
- Reports defects, accidents or violations

Client Service Executive

- Ensures that all contacts with clients (e-mail, walk-In center, SMS or phone) provides the client with a personalized customer service experience of the highest level
- Through interaction with customers on the phone, uses every opportunity to build client's interest in the company's products and services
- Manages administrative duties assigned by the human resources and admin manager in an effective and timely manner
- Consistently stays abreast of any new information on the organizations' products, promotional campaigns etc. to ensure accurate and helpful information is supplied to customers when they make enquiries (answer customer queries regarding our gold and silver ore mining business)
- Finds out the customer's needs, recommend, select and help locate the right merchandise, describe a product's features and benefits.

- make suggestions and encourage purchase of products

6. SWOT Analysis

Due to our drive for excellence when it comes to running a standard gold mining company, we were able to engage some of the finest business consultants in the United Republic of Tanzania to look through our business concept and together we were able to critically examine the prospect of the business and to assess ourselves to be sure we have what it takes to run a standard gold mining business that can compete favorably in the industry.

In view of that, we were able to take stock of our strengths, our weakness, our opportunities and also the threats that we are likely going to be

Exposed to in the United Republic of Tanzania. Here is a of what we got from the critically conducted SWOT Analysis for NET MINING COMPANY;

- **Strength:**

Our strength lies in the fact that we have state of the art gold mining equipment and trucks that has positioned us to meet the demand of our clients even if the demand tripled overnight.

Another factor that counts to our advantage is the background of our Chief Executive Office; he has a robust experience in the industry and also a pretty good academic qualification to match the experience acquired which has placed him amongst the top flight players in the gold mining industry.

We are not ignoring the fact that our team of highly qualified and dedicated workers will also serve as strength for our organization.

- **Weakness:**

We do not take for granted the facts that we have weaknesses. In fact, the reality that we are setting up a gold mining company in Tanzania might pose a little challenge. In essence our chosen location might be our weakness.

- **Opportunities:**

The opportunities available to us are unlimited. There are loads of jewelry making companies and other manufacturing companies that make use of

raw gold all across the globe and all what we are going to do to push our products to them is already perfected.

- **Threat:**

The threat that is likely going to confront us is the fact that we are competing with already established gold mining companies in Tanzania and other countries of the world. Of course, they will compete with us in winning over the available market. Another threat that we are likely going to face is unfavorable government policies and economic downturn.

7. MARKET ANALYSIS

- **Market Trends**

Gold is a lucrative business in East African especially in Tanzania and in looking at the trends of these mega countries over the course of gold's bull, it is apparent that the results vary quite substantially; and China and Russia that have experienced the biggest growth over this stretch.

China in particular has carved out an incredible growth story, with its production volume up a staggering 92 percent since 2001.

Talking about the two North American land giants, their gold-mining trends have been ugly over the last decade or so. Incredibly, both the US and Canada have seen output fall by nearly a third to 2011's respective tallies of 237mt and 110mt.

Their mature gold-mining infrastructures were just decimated by the secular bear that preceded the current bull. Up until the 1990s the US and Canada's gold-mining industries operated like well-oiled machines, with the miners consistently putting forth sizeable capital towards exploration and development.

Exploration was successful in renewing and growing the reserves that were being mined, and continual expansion and new development sustained and even grew production. It is common trend in the gold and silver ore mining

line of business to find mining companies positioning their business in locations and communities where they can easily have access to mines and of course cheap labor.

If you make the mistake of positioning this type of business in a location where you would have to travel a distance before you can access gold mines, then you would have to struggle to make profits and maintain your overhead and logistics.

Also, another trend in this line of business is that most registered and well organized mining companies look beyond the market within their locations or state; they ensure that they strike business deals with leading jewelry

Making companies in the United Republic of Tanzania and other countries of the world.

The truth is that if as a gold mining company you are able to become a vendor to one or more jewelry making giants in the United Republic of Tanzania or in other countries of the world, you will always continue to smile to the bank.

8. Our Target Market

When it comes to supplying product from gold mines, there is indeed a well-defined market. This goes to show that the target market for products from gold mining companies is far reaching. In view of that, we have conducted our market research and we have ideas of what our target market would be expecting from us. We are in business to engage in supply of raw gold to the following organizations;

- Jewelry production companies
- Electronic components manufacturing companies
- Art and culture companies
- Gold merchant

Our Competitive Advantage

Some of our competitive advantages are availability of resource, ability to forward sell production when appropriate and of course the ability to comply with environmental laws.

As a standard and licensed gold mining company, we know that gaining a competitive edge requires a detailed analysis of the demographics of the surrounding area and the nature of the existing competitors. And even if you are successful at first, new competitors could enter your market at any time to steal your regular customers.

Hence we will not hesitate to adopt successful and workable strategies from our competitors. Another competitive advantage that we have is the vast experience of our management team; we have people on board who

Understand how to grow a business from the scratch to becoming a national phenomenon.

Our large and robust distribution network and of course our excellent customer service culture will definitely count as a strong strength for the business.

Lastly, our employees will be well taken care of, and their welfare package will be among the best within our category in the industry, meaning that they will be more than willing to build the business with us and help deliver our set goals and achieve all our aims and objectives.

We will also give good working conditions and commissions to freelance sales agents that we will recruit from time to time.

9. SALES AND MARKETING STRATEGY

- **Sources of Income**

NET MINING LIMIED will generate income by simply supplying the following;

- Gold

10. Sales Forecast

One thing is certain when it comes to gold mining, if your business is strategically positioned and you have good relationship with players in the jewelry manufacturing industry, you will always attract customers cum sales and that will sure translate to increase in revenue generation for the business.

We are well positioned to take on the available market in and around the United Republic of Tanzania and we are quite optimistic that we will meet our set target of generating enough profits from the first six months of operation and grow the business and our clientele base.

We have been able to critically examine the gold ore mining line of business, we have analyzed our chances in the industry and we have been able to come up with the following sales forecast.

The sales projections are based on information gathered on the field and some assumptions that are peculiar to startups in the United Republic of Tanzania.

Below are the sales projections for NET MINING COMPANY, it is based on the location of our business and other factors as it relates to small scale and medium scale gold and silver mining company startups in the United Republic of Tanzania;

- **First Fiscal Year:** \$900,000
- **Second Fiscal Year:** \$2 million
- **Third Fiscal Year:** \$7.5 million

N.B: This projection was done based on what is obtainable in the industry and with the assumption that there won't be any major economic meltdown and there won't be any major competitor offering same product and customer care services as we do within same location. Please note that the above projection might be lower and at the same time it might be higher.

- **Marketing Strategy and Sales Strategy**

Before choosing a location to start NET MINING COMPANY, we conducted thorough market survey and feasibility studies in order for us to penetrate the available market in the United Republic of Tanzania. We have detailed information and data that we were able to utilize to structure our business to compete with other gold mining companies.

We hired experts who have good understanding of the gold ore mining line of business to help us develop marketing strategies that will help us achieve our business goal of winning a larger percentage of the available market. NET MINING LIMIED will adopt the following sales and marketing approach to sell our raw gold;

- Introduce our business by sending introductory letters to production companies and other stakeholders in and around the United Republic of Tanzania
- List our business and products on yellow pages' ads (local directories)
- Leverage on the internet to promote our product cum business
- Engage in direct marketing and sales
- Encourage the use of Word of mouth marketing (referrals)

11. Publicity and Advertising Strategy

Regardless of the fact that our gold mining company can favorably compete with other leading mining companies in the United Republic of Tanzania and in any part of the world, we will still go ahead to intensify publicity for all our products and brand.

NET MINING LIMIED has a long term plan of exporting our product all across the United Republic of Tanzania and other countries of the world.

As a matter of fact, our publicity and advertising strategy is not solely for selling our products but to also effectively communicate our brand. Here are the platforms we intend leveraging on to promote and advertise NET MINING COMPANY;

- Place adverts on both print (community based newspapers and magazines) and electronic media platforms
- Sponsor relevant community programs
- Leverage on the internet and social media platforms like Instagram, Facebook, Twitter, et al to promote our brand
- Ensure that all our staff members wear our customized clothes, and all our official cars and distribution trucks are customized and well branded.

12. Our Pricing Strategy

At NET MINING LIMIED we will keep the prices of our products below the average market rate by keeping our overhead low and by collecting payment in advance from well – established jewelry manufacturing companies that would require constant supply of raw gold.

- **Payment Options**

The payment policy adopted by NET MINING LIMIED is all inclusive because we are quite aware that different customers prefer different payment options as it suits them but at the same time, we will ensure that we abide by the financial rules and regulation of the United Republic of Tanzania. Here are the payment options that NET MINING LIMIED will make available to her clients;

- Payment via bank transfer
- Payment via online bank transfer
- Payment via check
- Payment via bank draft

In view of the above, we have chosen banking platforms that will enable our clients make payment for our gold without any stress on their part. Our bank account numbers will be made available on our website and promotional materials.

13. Startup Expenditure (Budget)

From our market survey and feasibility studies, we have been able to come up with a detailed budget of how to achieve our aim of establishing a standard and highly competitive gold mining company in the United Republic of Tanzania and here are the key areas where we will spend our startup capital on;

- The total fee for registering the business in the United Republic of Tanzania – **\$7,750.**
- Legal expenses for obtaining licenses and permits as well as the accounting services (software, P.O.S machines and other software) – **\$3,300.**
- Marketing promotion expenses for the grand opening of NET MINING LIMIED and as well as flyer printing for the total amount of **\$7,080.**
- The cost for hiring business consultant – **\$2,500.**

- Insurance (general liability, workers' compensation and property casualty) coverage at a total premium – **\$2,500**
- The cost for acquiring gold ore mine operating license fee – **\$20,000**
- Other start-up expenses including stationery and phone and utility deposits (**\$12,500**).
- Operational cost for the first 3 months (salaries of employees, payments of bills et al) – **\$50,000**
- The cost for start-up inventory (gold ore mining equipment, trucks and other related gold mining devices) – **\$547,000**
- The cost of launching a website – **\$600**
- Miscellaneous – **\$33,770**

We would need an estimate of 687,000 us dollar to successfully set up a standard and highly competitive gold mining company in the United Republic of Tanzania.

Generating Startup Capital for NET MINING COMPANY

No matter how fantastic your business idea might be, if you don't have the required money to finance the business, the business might not become a reality. Finance is a very important factor when it comes to starting a gold mining business.

NET MINING LIMIED is a partnership business that is owned and financed by Shareholders.

- Generate part of the startup capital from personal savings and sell of stocks

14. Sustainability and Expansion Strategy

The future of a business lies in the number of loyal customers that they have the capacity and competence of their employees, their investment strategy and their business structure. If all of these factors are missing from a business, then it won't be too long before the business close shop.

One of our major goals of starting NET MINING LIMIED is to build a business that will survive off its own cash flow without the need for injecting finance from external sources once the business is officially running.

We know that one of the ways of gaining approval and winning customers over is to supply our raw gold a little bit cheaper than what is obtainable in the market and we are well prepared to survive on lower profit margin for a while.

NET MINING LIMIED will make sure that the right foundation, structures and processes are put in place to ensure that our staff welfare are well taken of. Our company's corporate culture is designed to drive our

Business to greater heights and training and retraining of our workforce is at the top burner.

As a matter of fact, profit-sharing arrangement will be made available to all our management staff and it will be based on their performance for a period of three years or more. We know that if that is put in place, we will be able to successfully hire and retain the best hands we can get in the industry; they will be more committed to help us build the business of our dreams.